

Johannesburg Tourism Company NPC  
Annual Financial Statements  
for the year ended 30 June 2017

The Auditor General of South Africa

# **Johannesburg Tourism Company NPC**

(Registration number 2003/0089973/08)

Annual Financial Statements for the year ended 30 June 2017

## **General Information**

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<b>COUNTRY OF INCORPORATION AND DOMICILE</b>	South Africa
<b>NATURE OF BUSINESS AND PRINCIPAL ACTIVITIES</b>	Establishing and Developing Tourism in the City of Johannesburg
<b>REGISTERED OFFICE</b>	Ground Floor, Grosvenor Corner 195 Jan Smut Avenue Parktown North Johannesburg
<b>POSTAL ADDRESS</b>	PO Box 1049 Johannesburg 2000
<b>AUDITORS</b>	The Auditor General of South Africa
<b>COMPANY REGISTRATION NUMBER</b>	2003/0089973/08

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The reports and statements set out below comprise the annual financial statements presented to the shareholder:

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### Abbreviations

COID	Compensation for Occupational Injuries and Diseases
CRR	Capital Replacement Reserve
DBSA	Development Bank of South Africa
SA GAAP	South African Statements of Generally Accepted Accounting Practice
GRAP	Generally Recognised Accounting Practice
GAMAP	Generally Accepted Municipal Accounting Practice
HDF	Housing Development Fund
IAS	International Accounting Standards
IMFO	Institute of Municipal Finance Officers
IPSAS	International Public Sector Accounting Standards
ME's	Municipal Entities
MEC	Member of the Executive Council
MFMA	Municipal Finance Management Act
MIG	Municipal Infrastructure Grant (Previously CMIP)
JTC	Johannesburg Tourism Company NPC

## **Johannesburg Tourism Company NPC**

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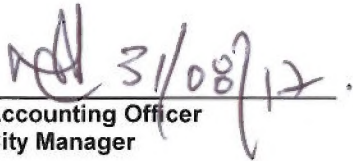
Annual Financial Statements for the year ended 30 June 2017

### **Municipal Manager's approval of the Annual Financial Statements**

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I am responsible for the preparation of the Annual Financial Statements in terms of Section 126(1) of the Municipal Finance Management Act and which I have signed on behalf of the Municipality.

The Annual Financial Statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) including any interpretations, guidelines and directives issued by the Accounting Standards Board.

 31/08/12.

Accounting Officer  
City Manager

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## Accounting Officer's Report

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The Directors and the Municipal Manager submit their report for the year ended 30 June 2017.

### 1. INCORPORATION

The entity was incorporated on 16 April 2003 and obtained its certificate to commence business on the same day.

### 2. REVIEW OF ACTIVITIES

#### Main Business and Operations

The Johannesburg Tourism Company (NPC) is a dormant Municipal entity. The principal activity of the company was the establishment and development of tourism in the City of Johannesburg. The entity operated principally in South Africa. During the 2012/13 municipal fiscal year, the City of Johannesburg resolved that the entity's functions be transferred and merged with that of Public Liason Department to form the Communication and Tourism department.

The transfer of assets and liabilities to the City of Johannesburg was done effectively from 31 May 2013. The company has not traded during the year of the preceding financial year. During these years, the company received no income and incurred no expenditure and therefore made neither profit nor loss.

The operating results and state of affairs of the entity are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

Net surplus of the entity was Rnil (2016: surplus R -). The company is exempt from income tax.

### 3. DIRECTORS PERSONAL FINANCIAL INTEREST IN CONTRACTS

The Directors of the company did not have any interest in contracts entered into by the company.

### 4. ACCOUNTING POLICIES

The Annual Financial Statements were prepared in accordance with the prescribed Standards of Generally Recognised Accounting Practices (GRAP) issued by the Accounting Standards Board as the prescribed framework by National Treasury.

### 5. BORROWING LIMITATIONS

In terms of the Articles of Association of the entity, the directors may exercise all the powers of the entity to borrow money, as they consider appropriate, but this is subject to the approval of the City of Johannesburg Metropolitan Municipality.

### 6. GOING CONCERN

As a result of the institutional review process by the City of Johannesburg leading to the integration of Johannesburg Tourism Company operations into the City of Johannesburg Municipality on 31 May 2013, the Annual Financial Statements are prepared on a discontinued operations basis.

### 7. CORPORATE GOVERNANCE

#### General

The Directors are committed to business integrity, transparency and professionalism in all its activities. As part of this commitment, the directors supports the highest standards of corporate governance and the ongoing development of best practice.

The entity confirms and acknowledges its responsibility to total compliance with the Code of Corporate Governance and Conduct ("the Code") laid out in the King III Report. The directors discussed the responsibilities of management in this respect, at Board meetings and monitored the entity's compliance with the code on a regular basis.

The Entity is dormant and in the Winding-up process therefore it is impractical to adopt salient features of the Code. However the following structure still exists:

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## Accounting Officer's Report

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### Board of Directors

The Board:

- retains full control over the entity, its plans and strategy;
- acknowledges its responsibilities as to strategy, compliance with internal policies, external laws and regulations, effective risk management and performance measurement, transparency and effective communication both internally and externally by the entity;
- is of a unitary structure comprising:
  - 3 Non-executive directors, all of whom are independent directors as defined in the Code

### Remuneration

The upper limits of the remuneration of the Chief Executive Officer, and the Chief Financial Officer are determined by the City of Johannesburg, and the Directors will determine the remuneration within the above mentioned limits. However, the dormant entity does not have a Chief Executive Officer and the Chief Financial Officer.

### Board Meetings

Since the entity is dormant, the Directors have not met during the financial year.

Non-executive directors have access to all members of management of the entity.

### NAME OF DIRECTORS

Ms. Zibusiso Kganyago (Chairperson)  
Ms Vuyelwa Dlwati  
Dr. Dorothy Sekhukhune  
Kgolo Mbangi  
Ms Sylvia Ravhuthulu  
Ms. Yvonne Chakachaka  
Independent Audit Committee  
Ms. Lulama Zabala  
Ms. Keabetswe Onuoka  
Mr. Narend Rau

### 8. CONTROLLING ENTITY

The entity's controlling entity is the City of Johannesburg Metropolitan Municipality..

### 9. AUDITORS

The Auditor General of South Africa will continue in office in accordance with the Public Audit Act No 25, section 92 of the Municipal Finance Management Act No 56 of 2003 and Act 71 of 2008 of the Companies Act.



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## **Company Secretary's Certification**

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### **Declaration by the company secretary in respect of Section 88(2)(e) of the Companies Act**

In terms of Section 88(2)(e) of the Companies Act 71 of 2008, as amended, I certify that the company has lodged with the Commissioner all such returns as are required of a public company in terms of the Companies Act because it was all intent and purpose of the shareholder to deregister the entity in the 2014/15 financial year.

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## Statement of Financial Position as at 30 June 2017

Figures in Rand	Note(s)	2017	2016
<b>Liabilities</b>			
Accumulated capital / contributed capital		20 477 938	20 477 938
Accumulated deficit		(20 477 938)	(20 477 938)
<b>Total Net Assets</b>		<b>-</b>	<b>-</b>



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## Statement of Changes in Net Assets

Figures in Rand	Note(s)	Contributed Capital	Accumulated deficit	Total equity
Balance at 01 July 2015		20 477 938	(20 477 938)	-
Balance at 01 July 2016		20 477 938	(20 477 938)	-
Balance at 30 June 2017		20 477 938	(20 477 938)	-

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## **Accounting Policies**

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### **1. Presentation of Annual Financial Statements**

The annual financial statements have been prepared in accordance with the Standards of Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act (Act 56 of 2003).

These annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention as the basis of measurement, unless specified otherwise. They are presented in South African Rand.

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Annual Financial Statements for the year ended 30 June 2017

## Notes to the Annual Financial Statements

Figures in Rand	2017 R	2016 R
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### 2. Related parties

Relationships

Controlling entity

City of Johannesburg Metropolitan Municipality  
City of Johannesburg Property Company SOC Ltd  
City Power Johannesburg SOC Ltd  
Johannesburg City Parks NPC  
Johannesburg Development Agency SOC Ltd  
Johannesburg Metropolitan Bus Services SOC Ltd  
Johannesburg Roads Agency SOC Ltd  
Johannesburg Water SOC Ltd  
Metropolitan Trading Company SOC Ltd  
Pikitup Johannesburg SOC Ltd  
The Johannesburg Civic Theatre NPC Ltd  
The Johannesburg Fresh Produce Market SOC Ltd  
Johannesburg Social Housing Company SOC Ltd

### 3. Going concern

The City of Johannesburg conducted an institutional review and as a result, the City of Johannesburg has reintegrated JTC's operations back into the City of Johannesburg.

The company has not traded during the year or the preceding financial year. During these years, the company received no income and incurred no expenditure and therefore made neither profit nor loss..

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## Notes to the Annual Financial Statements

Figures in Rand	2017	2016
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### 4. Transfer of operations to the City of Johannesburg

As a result of the institutional review process by the City of Johannesburg leading to the integration of JTC's operations into the City on 31 May 2013, the Annual Financial Statements are prepared on a discontinued operations basis and significant adjustments were passed in 2012/13 to account for the integration process.